

Performance Based Logistics (PBL) Overview

A comprehensive 2-day seminar that will provide insights as to the purpose of PBL and the many options that can be pursued in delivering a PBL program.

Who should attend?

- Program Managers to better understand the many options that are available to efficiently and effectively sustain a weapon system
- Business Developers who seek to capture a PBL program for a weapon system
- Accountants who need to create a set of financial data that can be effectively utilized to identify unfavorable risks
- Logisticians who are tasked to create a program to sustain a weapon system
- Engineers who can develop an appreciation of their value in improving reliability and their impact upon profitability
- 3PLs who can gather a better understanding of the cost drivers of a program
- Application Software Suppliers who can obtain an assurance that their product's software enables a user to effectively and efficiently manage a program
- Others

This seminar will cover the following areas:

1. Acquisition Reform Initiatives That Support PBL
 - Early Acquisition Reform Initiative
 - Federal Acquisition Streamlining And Defense Acquisition Pilot Programs
 - Individual Service Initiatives
 - Authority For PBL
 - DoD 5000.1
 - Observations On PBL To Date
2. When And How To Use PBL
 - PBL Definition
 - PBL Applicability
 - Characteristics Of PBL
 - What PBL Is Not
 - PBL's Intent
 - PBL And DoD's Desire To Modernize
 - Is It Really PBL
 - Scope And Complexity Of PBL
 - Comparison Of PBL With Traditional Support Strategies
 - Issues To Consider When Responding To PBL Requirements

Performance Based Logistics (PBL) Overview

3. Why Should a Contractor Want to Participate in PBL?
 - A Financial Overview of Defense Weapon System Contractors
 - It's All About Profits
 - PBL Increases Profits And Reduces Profit Volatility
 - The PBL Paradox (P²)
 - The 5 Ways Of Increasing Profits
 - Why PBL Offerings Have Higher Profit Margins Than Legacy Offerings
 - How Do Contractors Improve DoD Logistics Performance
 - With Higher Rewards Come Higher Risks
 - What Is A Contractor's Strategy In Obtaining Revenues From PBL
 - The New Revenue & Profit Mix
 - Challenges Of Managing Cashflow
 - To Be Successful, Contractors Must Have Others Who Have The Same Self Interests

4. PBL Process And Key Decision Milestones
 - PBL Stakeholders
 - PBL Roles And Responsibilities
 - Performance Based Agreements
 - PBA Development Process
 - PBL Within The Acquisition Process
 - US Title 10 And PBL
 - Key Success Factors For Government/Industry Teaming
 - Business Case Analysis (BCA)
 - BCA Challenges
 - Performing Internal Supplier BCA

5. Crafting An Offering
 - PBL Is Supported By A Web Of Agreements In Which Risks Are Shared...Or Not
 - Craft Contractor Performance-Of-Deliverables
 - Craft Government Profile-Of-Operation
 - Craft Recurring Processes
 - Craft Initialization Processes
 - Identify Direct & Indirect Expenditures
 - Forecast Direct Expenditures
 - Align Processes & Resources Employed
 - Forecast Process Activities
 - Forecast Resources Employed Per Process Activity Forecast
 - Forecast Resources Employed
 - Define PBA Lifecycle Pricing Strategy
 - The Balanced Scorecard Is Used To Ensure A Systemic Approach

Performance Based Logistics (PBL) Overview

- Subjective Probability: Managing For Unfavorable Risks
 - Actual Data Input And Metric Variance Analysis
 - Populating Indexes With Actual Data
6. Organizing For PBL
 - What Type Of Business Entity?
 - Flowing Down PBL Requirements To Suppliers
 - Variable Versus Fixed Costs
 - Attributes Of A Hi Performance 70-30 Organization
 - Outsourcing To Obtain 70-30
 - Define Supplier Profit Strategy & Price Of Offering
 - Supplier Financial Modeling Of PBL Offering
 7. Recommendations for Evaluating Competitive Offerings
 - Special Issues With PBL
 - PBL Contracting
 - Some Thoughts On What To Look For
 8. Prognostics And Health Management As An Enabler To A Successful PBL Execution
 - PHM Definition
 - Traditional Maintenance Approaches Versus Condition-Based Maintenance
 - Characteristics Of PHM System
 - PHM Technologies
 - Why Should You Care About PHM
 - When Should You Start PHM Design
 - PBL Risks Associated With PHM
 9. Effectively Dealing With Key PBL Issues
 - Positioning PBL Offering To Survive A BCA
 - Understanding And Mitigating Performance And Financial Risk
 - Changing Mission Requirements
 - Contractors On The Battlefield
 - Dealing With Depots And DLA